

105TH CONGRESS
2D SESSION

H. R. 3869

To amend the Robert T. Stafford Disaster Relief and Emergency Assistance Act to authorize programs for predisaster mitigation, to streamline the administration of disaster relief, to control the Federal costs of disaster assistance, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MAY 14, 1998

Mr. BOEHLERT (for himself and Mr. BORSKI) introduced the following bill; which was referred to the Committee on Transportation and Infrastructure

A BILL

To amend the Robert T. Stafford Disaster Relief and Emergency Assistance Act to authorize programs for predisaster mitigation, to streamline the administration of disaster relief, to control the Federal costs of disaster assistance, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Disaster Mitigation
5 Act of 1998”.

1 **SEC. 2. AMENDMENTS TO ROBERT T. STAFFORD DISASTER**
2 **RELIEF AND EMERGENCY ASSISTANCE ACT.**

3 Except as otherwise specifically provided, whenever in
4 this Act an amendment or repeal is expressed in terms
5 of an amendment to, or repeal of, a section or other provi-
6 sion of law, the reference shall be considered to be made
7 to a section or other provision of the Robert T. Stafford
8 Disaster Relief and Emergency Assistance Act (42 U.S.C.
9 5121 et seq.).

10 **TITLE I—PREDISASTER HAZARD**
11 **MITIGATION**

12 **SEC. 101. FINDINGS AND PURPOSE.**

13 (a) FINDINGS.—Congress finds that—

14 (1) greater emphasis needs to be placed on
15 identifying and assessing the risks to State and local
16 communities and implementing adequate measures
17 to reduce losses from natural disasters and to ensure
18 that critical facilities and public infrastructure will
19 continue to function after a disaster;

20 (2) expenditures for post-disaster assistance are
21 increasing without commensurate reduction in the
22 likelihood of future losses from such natural disas-
23 ters;

24 (3) a high priority in the expenditure of Federal
25 funds under the Robert T. Stafford Disaster Relief

1 and Emergency Assistance Act should be to imple-
2 ment predisaster activities at the local level; and

3 (4) with a unified effort of economic incentives,
4 awareness and education, technical assistance, and
5 demonstrated Federal support, States and local com-
6 munities will be able to increase their capabilities to
7 form effective community-based partnerships for
8 mitigation purposes, implement effective natural dis-
9 aster mitigation measures that reduce the risk of fu-
10 ture damage, hardship, and suffering, ensure contin-
11 ued functioning of critical facilities and public infra-
12 structure, leverage additional non-Federal resources
13 into meeting disaster resistance goals, and make
14 commitments to long-term mitigation efforts in new
15 and existing structures.

16 (b) PURPOSE.—It is the purpose of this title to estab-
17 lish a predisaster hazard mitigation program that—

18 (1) reduces the loss of life and property, human
19 suffering, economic disruption, and disaster assist-
20 ance costs resulting from natural hazards; and

21 (2) provides a source of predisaster hazard
22 mitigation funding that will assist States and local
23 governments in implementing effective mitigation
24 measures that are designed to ensure the continued

1 functioning of critical facilities and public infrastruc-
2 ture after a natural disaster.

3 **SEC. 102. STATE MITIGATION PROGRAM.**

4 Section 201(c) (42 U.S.C. 5131(c)) is amended—

5 (1) by striking “and” at the end of paragraph
6 (1);

7 (2) by striking the period at the end of para-
8 graph (2) and inserting “; and”; and

9 (3) by adding at the end the following:

10 “(3) set forth, with the ongoing cooperation of
11 local governments and consistent with section 409, a
12 comprehensive and detailed State program for miti-
13 gating against emergencies and major disasters, in-
14 cluding provisions for prioritizing mitigation meas-
15 ures.”.

16 **SEC. 103. DISASTER ASSISTANCE PLANS.**

17 Section 201(d) is amended to read as follows:

18 “(d) GRANTS FOR DISASTER ASSISTANCE AND HAZ-
19 ARD IDENTIFICATION.—The President is authorized to
20 make grants for—

21 “(1) the cost of improving, maintaining, and
22 updating State disaster assistance plans including,
23 consistent with section 409, evaluation of natural
24 hazards and development of the programs and ac-
25 tions required to mitigate such hazards; and

1 “(2) the development and application of hazard
 2 identification technologies, including improved flood-
 3 plain mapping technologies, that can be used by
 4 Federal, State, and local governments and that the
 5 President determines will likely result in substantial
 6 savings over current hazard identification methods.”.

7 **SEC. 104. PREDISASTER HAZARD MITIGATION.**

8 Title II (42 U.S.C. 5131–5132) is amended by add-
 9 ing at the end the following:

10 **“SEC. 203. PREDISASTER HAZARD MITIGATION.**

11 “(a) GENERAL AUTHORITY.—The President may es-
 12 tablish a program to provide financial assistance to States
 13 and local governments for the purpose of implementing
 14 predisaster hazard mitigation measures that reduce inju-
 15 ries, loss of life, and damage and destruction of property,
 16 including critical facilities and public infrastructure.

17 “(b) PURPOSE OF ASSISTANCE.—

18 “(1) IN GENERAL.—Except as provided in para-
 19 graph (2), a State or local government that receives
 20 financial assistance under this section shall use the
 21 assistance for funding activities that are cost effec-
 22 tive and substantially reduce the risk of future dam-
 23 age, hardship, or suffering from a major disaster.

24 “(2) DISSEMINATION.—The State or local gov-
 25 ernment may use not more than 10 percent of finan-

1 cial assistance it receives under this section in a fis-
2 cal year for funding activities to disseminate infor-
3 mation regarding cost effective mitigation tech-
4 nologies (such as preferred construction practices
5 and materials), including establishing and maintain-
6 ing centers for protection against natural disasters
7 to carry out such dissemination.

8 “(c) ALLOCATION OF FUNDS.—

9 “(1) IN GENERAL.—The amount of financial
10 assistance to be provided to a State, including
11 amounts provided to local governments of such
12 State, under this section in a fiscal year shall—

13 “(A) not be less than the lesser of
14 \$500,000 or 2.5 percent of the total funds ap-
15 propriated to carry out this section for such fis-
16 cal year; but

17 “(B) not exceed 15 percent of such total
18 funds.

19 “(d) CRITERIA.—Subject to the limitations of sub-
20 sections (c) and (e), in determining whether to provide as-
21 sistance to a State or local government under this section
22 and the amount of such assistance, the President shall
23 consider the following criteria:

1 “(1) The clear identification of prioritized cost-
2 effective mitigation activities that produce meaning-
3 ful and definable outcomes.

4 “(2) If the State has submitted a mitigation
5 program under section 201(c), the degree to which
6 the activities identified in paragraph (1) are consist-
7 ent with the State mitigation program.

8 “(3) The opportunity to fund activities that
9 maximize net benefits to society.

10 “(4) The ability of the State or local govern-
11 ment to fund mitigation activities.

12 “(5) The level of interest by the private sector
13 to enter into a partnership to promote mitigation.

14 “(6) Such other criteria as the President estab-
15 lishes in consultation with State and local govern-
16 ments.

17 “(e) STATE NOMINATIONS.—

18 “(1) IN GENERAL.—Not later than April 1 of
19 fiscal year 1999 and each fiscal year thereafter, the
20 Governor of each State may recommend to the
21 President not less than 5 local governments to re-
22 ceive assistance under this section. In making such
23 recommendations, the Governors shall consider the
24 criteria identified in subsection (d).

1 “(2) USE.—In providing assistance to local gov-
2 ernments under this section, the President shall se-
3 lect from local governments recommended by the
4 Governors under this subsection.

5 “(3) EFFECT OF FAILURE TO NOMINATE.—If a
6 Governor of a State fails to submit recommendations
7 under this subsection in a timely manner, the Presi-
8 dent may select, subject to the criteria in subsection
9 (d), any local governments of the State to receive as-
10 sistance under this section.

11 “(f) SMALL IMPOVERISHED COMMUNITIES.—Not less
12 than 10 percent of the total financial assistance provided
13 under this section in a fiscal year shall be used to fund
14 activities in communities of 3,000 or fewer individuals that
15 are economically disadvantaged, as determined by the
16 State in which the community is located and based on cri-
17 teria established by the President. Notwithstanding sub-
18 section (g), the President may contribute up to 90 percent
19 of the total cost of mitigation activities in such commu-
20 nities.

21 “(g) FEDERAL SHARE.—Financial assistance pro-
22 vided under this section may contribute up to 75 percent
23 of the total cost of mitigation activities approved by the
24 President.

1 “(h) AUTHORIZATION OF APPROPRIATIONS.—There
2 is authorized to be appropriated to carry out this section
3 \$50,000,000 for each of fiscal years 1998, 1999, and
4 2000.

5 “(i) AUTHORIZATION OF SECTION 404 FUNDS.—In
6 addition to amounts appropriated under subsection (h),
7 the President may use, to carry out this section, funds
8 that are appropriated to carry out section 404 for post-
9 disaster mitigation activities that have not been obligated
10 within 3 years of the disaster declaration for which such
11 funds are appropriated.

12 “(j) REPORT ON STATE ADMINISTRATION.—Not
13 later than 1 year after the date of enactment of the Disas-
14 ter Mitigation Act of 1998, the President, in consultation
15 with State and local governments, shall transmit to Con-
16 gress a report recommending a process for transferring
17 greater authority and responsibility for administering the
18 assistance program authorized by this section to capable
19 States.”.

20 **SEC. 105. CONFORMING AMENDMENT.**

21 The heading for title II is amended to read as follows:

1 **“TITLE II—DISASTER PREPARED-**
2 **NESS AND MITIGATION AS-**
3 **SISTANCE”.**

4 **TITLE II—STREAMLINING AND**
5 **COST REDUCTION**

6 **SEC. 201. MANAGEMENT EXPENSES.**

7 (a) IN GENERAL.—Title III (42 U.S.C. 5141–5164)
8 is amended by adding at the end the following:

9 **“SEC. 322. MANAGEMENT EXPENSES.**

10 “(a) IN GENERAL.—Notwithstanding any other pro-
11 vision of law (including any administrative rule or guid-
12 ance), for purposes of this title, the President shall estab-
13 lish by rule management cost rates for grantees and sub-
14 grantees. Such rates shall be used to determine contribu-
15 tions under section 406(a) for management and other as-
16 sociated expenses, which may include the costs, for per-
17 forming eligible work, of mobilizing and employing the Na-
18 tional Guard and using prison labor and other labor costs.
19 Such rates may be based on a percentage of assistance
20 provided to a grantee or subgrantee.

21 “(b) REVIEW.—The President shall review the man-
22 agement cost rates established under subsection (a) not
23 later than 3 years after the date of establishment of such
24 rates and periodically thereafter.

1 “(c) OTHER EXPENSES.—All payments for manage-
2 ment costs shall be in lieu of any indirect costs, adminis-
3 trative expenses, or any other expenses not directly
4 chargeable to a specific project under a major disaster,
5 emergency, or emergency preparedness activity or meas-
6 ure.”.

7 (b) APPLICABILITY.—Section 322 of the Robert T.
8 Stafford Disaster Relief and Emergency Assistance Act
9 (as added by subsection (a) of this section) shall apply
10 as follows:

11 (1) Subsection (a) shall apply to major disas-
12 ters declared under such Act on or after the date of
13 enactment of this Act. Until the date on which the
14 President establishes the management cost rates
15 under such subsection, section 406(f) shall be used
16 for establishing such rates.

17 (2) Subsections (b) and (c) shall apply to major
18 disasters declared under such Act on or after the
19 90th day following the date on which the President
20 establishes such rates under subsection (a) of such
21 section 322.

22 **SEC. 202. ASSISTANCE TO REPAIR, RESTORE, RECON-**
23 **STRUCT, OR REPLACE DAMAGED FACILITIES.**

24 (a) CONTRIBUTIONS.—Section 406(a) (42 U.S.C.
25 5172(a)) is amended to read as follows:

1 “(a) CONTRIBUTIONS.—

2 “(1) IN GENERAL.—The President may make
3 contributions—

4 “(A) to a State or local government for the
5 repair, restoration, reconstruction, or replace-
6 ment of a public facility which is damaged or
7 destroyed by a major disaster and for associ-
8 ated expenses incurred by such government;
9 and

10 “(B) subject to paragraph (2), to a person
11 who owns or operates a private nonprofit facil-
12 ity damaged or destroyed by a major disaster
13 for the repair, restoration, reconstruction, or re-
14 placement of such facility and for associated ex-
15 penses incurred by such person.

16 “(2) CONDITIONS FOR ASSISTANCE TO PRIVATE
17 NONPROFIT FACILITIES.—The President may make
18 contributions to a private nonprofit facility under
19 paragraph (1)(B) only if the owner or operator of
20 the facility—

21 “(A) has applied for a disaster loan under
22 section 7(b) of the Small Business Act (15
23 U.S.C. 636(b)); and

24 “(B)(i) has been determined to be ineli-
25 gible for such a loan; or

1 “(ii) has obtained such a loan in the maxi-
2 mum amount for which the Small Business Ad-
3 ministration determines the facility is eligible.”.

4 (b) MINIMUM FEDERAL SHARE.—Section 406(b) (42
5 U.S.C. 5172(b)) is amended to read as follows:

6 “(b) MINIMUM FEDERAL SHARE.—The Federal
7 share of assistance under this section shall be not less
8 than 75 percent of the net eligible cost of repair, restora-
9 tion, reconstruction, or replacement carried out under this
10 section.”.

11 (c) LARGE IN-LIEU CONTRIBUTIONS.—Section
12 406(c) (42 U.S.C. 5172(c)) is amended to read as follows:

13 “(c) LARGE IN-LIEU CONTRIBUTIONS.—

14 “(1) FOR PUBLIC FACILITIES.—

15 “(A) IN GENERAL.—In any case in which
16 a State or local government determines that the
17 public welfare would not be best served by re-
18 pairing, restoring, reconstructing, or replacing
19 any public facility owned or controlled by such
20 State or local government, the State or local
21 government may elect to receive, in lieu of a
22 contribution under subsection (a)(1)(A), a con-
23 tribution of 75 percent of the Federal share of
24 the Federal estimate of the cost of repairing,

1 restoring, reconstructing, or replacing such fa-
2 cility and of management expenses.

3 “(B) USE OF FUNDS.—Funds contributed
4 to a State or local government under this para-
5 graph may be used to repair, restore, or expand
6 other eligible public facilities, to construct eligi-
7 ble new facilities, or to fund hazard mitigation
8 measures which the State or local government
9 determines to be necessary to meet a need for
10 governmental services and functions in the area
11 affected by the major disaster.

12 “(2) FOR PRIVATE NONPROFIT FACILITIES.—

13 “(A) IN GENERAL.—In any case where a
14 person who owns or operates a private nonprofit
15 facility determines that the public welfare would
16 not be best served by repairing, restoring, re-
17 constructing, or replacing such facility, such
18 person may elect to receive, in lieu of a con-
19 tribution under subsection (a)(1)(B), a con-
20 tribution of 75 percent of the Federal share of
21 the Federal estimate of the cost of repairing,
22 restoring, reconstructing, or replacing such fa-
23 cility and of management expenses.

24 “(B) USE OF FUNDS.—Funds contributed
25 to a person under this paragraph may be used

1 to repair, restore, or expand other eligible pri-
2 vate nonprofit facilities owned or operated by
3 the person, to construct eligible new private
4 nonprofit facilities to be owned or operated by
5 the person, or to fund hazard mitigation meas-
6 ures that the person determines to be necessary
7 to meet a need for its services and functions in
8 the area affected by the major disaster.

9 “(3) MODIFICATION OF FEDERAL SHARE.—The
10 President shall modify the Federal share of the cost
11 estimate provided in paragraphs (1) and (2) if the
12 President determines an alternative cost share will
13 likely reduce the total amount of Federal assistance
14 provided under this section. The Federal cost share
15 for purposes of paragraphs (1) and (2) shall not ex-
16 ceed 90 percent and shall not be less than 50 per-
17 cent.”.

18 (d) NET ELIGIBLE COST.—

19 (1) IN GENERAL.—Section 406(e) (42 U.S.C.
20 5172(e)) is amended to read as follows:

21 “(e) NET ELIGIBLE COST.—

22 “(1) IN GENERAL.—For the purposes of this
23 section, the estimate of the cost of repairing, restor-
24 ing, reconstructing, or replacing a public facility or
25 private nonprofit facility on the basis of the design

1 of such facility as it existed immediately before the
2 major disaster and in conformity with current appli-
3 cable codes, specifications, and standards (including
4 floodplain management and hazard mitigation cri-
5 teria required by the President or by the Coastal
6 Barrier Resources Act (16 U.S.C. 3501 et seq.))
7 shall be treated as the net eligible cost of such re-
8 pair, restoration, reconstruction, or replacement.
9 Subject to paragraph (2), the President shall use the
10 cost estimation procedures developed under para-
11 graph (3) to make the estimate under this para-
12 graph.

13 “(2) MODIFICATION OF NET ELIGIBLE COST.—
14 In the event the actual cost of repairing, restoring,
15 reconstructing, or replacing a facility under this sec-
16 tion is more than 120 percent or less than 80 per-
17 cent of the cost estimated under paragraph (1), the
18 President may determine that the net eligible cost be
19 the actual cost of such repair, restoration, recon-
20 struction, or replacement.

21 “(3) EXPERT PANEL.—Not later than 18
22 months after the date of enactment of the Disaster
23 Mitigation Act of 1998, the President, acting
24 through the Director of the Federal Emergency
25 Management Agency, shall establish an expert panel,

1 including representatives from the construction in-
2 dustry, to develop procedures for estimating the cost
3 of repairing, restoring, reconstructing, or replacing a
4 facility consistent with industry practices.

5 “(4) SPECIAL RULE.—In any case in which the
6 facility being repaired, restored, reconstructed, or re-
7 placed under this section was under construction on
8 the date of the major disaster, the cost of repairing,
9 restoring, reconstructing, or replacing such facility
10 shall include, for purposes of this section, only those
11 costs which, under the contract for such construc-
12 tion, are the owner’s responsibility and not the con-
13 tractor’s responsibility.”.

14 (2) EFFECTIVE DATE.—The amendment made
15 by paragraph (1) shall take effect on the date of en-
16 actment of this Act; except that paragraph (1) of
17 section 406(e) of the Robert T. Stafford Disaster
18 Relief and Emergency Assistance Act (as amended
19 by paragraph (1) of this subsection) shall take effect
20 on the date that the procedures developed under
21 paragraph (3) of such section take effect.

22 (e) ASSOCIATED EXPENSES.—

23 (1) REPEAL.—Section 406(f) (42 U.S.C.
24 5172(f)) is repealed.

1 (2) EFFECTIVE DATE.—Paragraph (1) shall
 2 take effect on the date on which the President estab-
 3 lishes management cost rates under section 322(a)
 4 of the Robert T. Stafford Disaster Relief and Emer-
 5 gency Assistance Act (as added by section 201(a) of
 6 this Act).

7 **SEC. 203. FEDERAL ASSISTANCE TO INDIVIDUALS AND**
 8 **HOUSEHOLDS.**

9 (a) IN GENERAL.—Section 408 (42 U.S.C. 5174) is
 10 amended to read as follows:

11 **“SEC. 408. FEDERAL ASSISTANCE TO INDIVIDUALS AND**
 12 **HOUSEHOLDS.**

13 “(a) GENERAL AUTHORITY.—Subject to the require-
 14 ments of this section, the President, in consultation with
 15 the Governor of the affected State, may provide financial
 16 assistance, and, if necessary, direct services, to disaster
 17 victims who as a direct result of a major disaster have
 18 necessary expenses and serious needs for housing, per-
 19 sonal property, medical, dental, or funeral services, trans-
 20 portation, and other needs.

21 “(b) HOUSING ASSISTANCE.—

22 “(1) ELIGIBILITY.—The President may provide
 23 financial or other assistance under this section to in-
 24 dividuals and families to respond to the disaster-re-
 25 lated housing needs of those who are displaced from

1 their predisaster primary residences or whose
2 predisaster residences are rendered uninhabitable as
3 a result of damage caused by a major disaster.

4 “(2) DETERMINATION OF APPROPRIATE TYPES
5 OF ASSISTANCE.—The President shall determine ap-
6 propriate types of housing assistance to be provided
7 to disaster victims under this section based upon
8 considerations of cost effectiveness, convenience to
9 disaster victims, and such other factors as the Presi-
10 dent may consider appropriate. One or more types of
11 housing assistance may be made available, based on
12 the suitability and availability of the types of assist-
13 ance, to meet the needs of disaster victims in the
14 particular disaster situation.

15 “(c) TYPES OF HOUSING ASSISTANCE.—

16 “(1) TEMPORARY HOUSING.—

17 “(A) FINANCIAL ASSISTANCE.—

18 “(i) IN GENERAL.—The President
19 may provide financial assistance under this
20 section to individuals or households to rent
21 alternate housing accommodations, existing
22 rental units, manufactured housing, rec-
23 reational vehicles, or other readily fab-
24 ricated dwellings.

1 “(ii) AMOUNT.—The amount of as-
2 sistance under clause (i) shall be based on
3 the fair market rent for the accommoda-
4 tion being furnished plus the cost of any
5 transportation, utility hookups, or unit in-
6 stallation not being directly provided by
7 the President.

8 “(B) DIRECT ASSISTANCE.—

9 “(i) IN GENERAL.—The President
10 may also directly provide under this section
11 housing units, acquired by purchase or
12 lease, to individuals or households who, be-
13 cause of a lack of available housing re-
14 sources, would be unable to make use of
15 the assistance provided under subpara-
16 graph (A).

17 “(ii) PERIOD OF ASSISTANCE.—The
18 President may not provide direct assist-
19 ance under clause (i) with respect to a
20 major disaster after the expiration of the
21 18-month period beginning on the date of
22 the declaration of the major disaster by the
23 President, except that the President may
24 extend such period if the President deter-
25 mines that due to extraordinary cir-

1 cumstances an extension would be in the
2 public interest.

3 “(iii) COLLECTION OF RENTAL
4 CHARGES.—After the expiration of the 18-
5 month period referred to in clause (ii), the
6 President may charge fair market rent for
7 the accommodation being provided.

8 “(2) REPAIRS.—The President may provide fi-
9 nancial assistance for the repair of owner-occupied
10 private residences, utilities, and residential infra-
11 structure (such as private access routes) damaged by
12 a major disaster to a habitable or functioning condi-
13 tion if such assistance cannot be provided by vol-
14 untary organization assistance or insurance pro-
15 ceeds.

16 “(3) REPLACEMENT.—The President may pro-
17 vide financial assistance for the replacement of
18 owner-occupied private residences damaged by a
19 major disaster if such assistance cannot be provided
20 by voluntary organization assistance or insurance
21 proceeds. Assistance under this paragraph shall be
22 limited to households with an annual income that is
23 less than the national median income, as determined
24 by the Secretary of Commerce. Assistance provided
25 under this paragraph shall not exceed \$10,000

1 (based on fiscal year 1998 constant dollars). The
2 President may not waive any provision of Federal
3 law requiring the purchase of flood insurance as a
4 condition for the receipt of Federal disaster assist-
5 ance with respect to assistance provided under this
6 paragraph.

7 “(4) PERMANENT HOUSING CONSTRUCTION.—
8 The President may provide financial assistance or
9 direct assistance under this section to individuals or
10 households to construct permanent housing in insu-
11 lar areas outside the continental United States and
12 other remote locations in cases in which—

13 “(A) no alternative housing resources are
14 available;

15 “(B) the types of temporary housing as-
16 sistance described in paragraph (1) are unavail-
17 able, infeasible, or not cost effective; and

18 “(C) housing needs cannot be met by vol-
19 untary organization assistance, insurance pro-
20 ceeds, or disaster loan benefits available from
21 the Small Business Administration.

22 “(d) TERMS AND CONDITIONS RELATING TO HOUS-
23 ING ASSISTANCE.—

24 “(1) SITES.—Any readily fabricated dwelling
25 provided under this section shall, whenever possible,

1 be located on a site complete with utilities, and shall
2 be provided by the State or local government, by the
3 owner of the site, or by the occupant who was dis-
4 placed by the major disaster. Readily fabricated
5 dwellings may be located on sites provided by the
6 President if the President determines that such sites
7 would be more economical or accessible.

8 “(2) DISPOSAL OF UNITS.—

9 “(A) SALE TO OCCUPANTS.—

10 “(i) IN GENERAL.—Notwithstanding
11 any other provision of law, a temporary
12 housing unit purchased under this section
13 by the President for the purposes of hous-
14 ing disaster victims may be sold directly to
15 the individual or household who is occupy-
16 ing the unit if the individual or household
17 needs permanent housing.

18 “(ii) SALES PRICE.—Sales of tem-
19 porary housing units under clause (i) shall
20 be accomplished at prices that are fair and
21 equitable.

22 “(iii) DEPOSIT OF PROCEEDS.—Not-
23 withstanding any other provision of law,
24 the proceeds of a sale under clause (i) shall

1 be deposited into the appropriate Disaster
2 Relief Fund account.

3 “(iv) USE OF GSA SERVICES.—The
4 President may use the services of the Gen-
5 eral Services Administration to accomplish
6 a sale under clause (i).

7 “(B) OTHER METHODS OF DISPOSAL.—

8 “(i) SALE.—If not disposed of under
9 subparagraph (A), a temporary housing
10 unit purchased by the President for the
11 purposes of housing disaster victims may
12 be resold.

13 “(ii) DISPOSAL TO GOVERNMENTS
14 AND VOLUNTARY ORGANIZATIONS.—A tem-
15 porary housing unit described in clause (i)
16 may also be sold, transferred, donated, or
17 otherwise made available directly to a
18 State or other governmental entity or to a
19 voluntary organization for the sole purpose
20 of providing temporary housing to disaster
21 victims in major disasters and emergencies
22 if, as a condition of such sale, transfer, or
23 donation, the State, other governmental
24 agency, or voluntary organization agrees—

1 “(I) to comply with the non-
2 discrimination provisions of section
3 308; and

4 “(II) to obtain and maintain haz-
5 ard and flood insurance on the hous-
6 ing unit.

7 “(e) FINANCIAL ASSISTANCE TO ADDRESS OTHER
8 NEEDS.—

9 “(1) MEDICAL, DENTAL, AND FUNERAL EX-
10 PENSES.—The President, in consultation with the
11 Governor of the affected State, may provide financial
12 assistance under this section to an individual or
13 household adversely affected by a major disaster to
14 meet disaster-related medical, dental, and funeral
15 expenses if such individual or household is unable to
16 meet such needs through insurance proceeds or vol-
17 untary organization assistance.

18 “(2) PERSONAL PROPERTY, TRANSPORTATION,
19 AND OTHER EXPENSES.—The President, in con-
20 sultation with the Governor of the affected State,
21 may provide financial assistance under this section
22 to an individual or household described in paragraph
23 (1) to address personal property, transportation, and
24 other necessary expenses or serious needs resulting
25 from the major disaster if such expenses or needs

1 cannot be met through insurance proceeds, voluntary
2 agency assistance, or through loan assistance from
3 the Small Business Administration.

4 “(f) STATE ROLE.—The President shall provide for
5 the substantial and ongoing involvement of the affected
6 State in administering the assistance under this section.

7 “(g) MAXIMUM AMOUNT OF ASSISTANCE.—No indi-
8 vidual or household shall receive financial assistance great-
9 er than \$25,000 under this section with respect to a single
10 major disaster. Such limit shall be adjusted annually to
11 reflect changes in the Consumer Price Index for all Urban
12 Consumers published by the Department of Labor.

13 “(h) ISSUANCE OF REGULATIONS.—The President
14 shall issue rules and regulations to carry out the program,
15 including criteria, standards, and procedures for determin-
16 ing eligibility for assistance.”.

17 (b) CONFORMING AMENDMENT.—Section 502(a)(6)
18 (42 U.S.C. 5192(a)(6)) is amended by striking “tem-
19 porary housing”.

20 (c) REPEAL OF INDIVIDUAL AND FAMILY GRANT
21 PROGRAMS.—Section 411 (42 U.S.C. 5178) is repealed.

22 **SEC. 204. REPEALS.**

23 (a) COMMUNITY DISASTER LOANS.—Section 417 (42
24 U.S.C. 5184) is repealed.

1 (b) SIMPLIFIED PROCEDURE.—Section 422 (42
2 U.S.C. 5189) is repealed.

3 **SEC. 205. STATE ADMINISTRATION OF HAZARD MITIGATION**
4 **PROGRAM.**

5 Section 404 (42 U.S.C. 5170c) is amended by adding
6 at the end the following:

7 “(c) PROGRAM ADMINISTRATION BY STATES.—

8 “(1) IN GENERAL.—A State desiring to admin-
9 ister the hazard mitigation assistance program es-
10 tablished by this section with respect to hazard miti-
11 gation assistance in the State may submit to the
12 President an application for the delegation of such
13 authority.

14 “(2) CRITERIA.—The President, in consultation
15 with States and local governments, shall establish
16 criteria for the approval of applications submitted
17 under paragraph (1). The criteria shall include, at a
18 minimum, the following:

19 “(A) The demonstrated ability of the State
20 to manage the grant program under this sec-
21 tion.

22 “(B) Submission of the plans required
23 under section 201.

24 “(C) A demonstrated commitment to miti-
25 gation activities.

1 “(3) APPROVAL.—The President shall approve
 2 an application submitted under paragraph (1) that
 3 meets the criteria established under paragraph (2).

4 “(4) WITHDRAWAL OF APPROVAL.—If, after
 5 approving an application of a State submitted under
 6 paragraph (1), the President determines that the
 7 State is not administering the hazard mitigation as-
 8 sistance program established by this section in a
 9 manner satisfactory to the President, the President
 10 shall withdraw such approval.

11 “(5) AUDITS.—The President shall provide for
 12 periodic audits of the hazard mitigation assistance
 13 programs administered by States under this sub-
 14 section.”.

15 **SEC. 206. STATE ADMINISTRATION OF DAMAGED FACILI-**
 16 **TIES PROGRAM.**

17 (a) PILOT PROGRAM.—The President, in cooperation
 18 with States and local governments, shall conduct a pilot
 19 program for the purpose of determining the desirability
 20 of State administration of parts of the assistance program
 21 established by section 406 of the Robert T. Stafford Dis-
 22 aster Relief and Emergency Assistance Act (42 U.S.C.
 23 5172).

24 (b) STATE PARTICIPATION.—

1 (1) CRITERIA.—The President may establish
2 criteria in order to ensure the appropriate implemen-
3 tation of the pilot program under subsection (a).

4 (2) NUMBER OF STATES.—The President shall
5 conduct the pilot program under subsection (a) in at
6 least 2 States and not more than 4 States.

7 (c) REPORT.—Not later than 4 years after the date
8 of enactment of this Act, the President shall transmit to
9 Congress a report describing the results of the pilot pro-
10 gram conducted under subsection (a), including an identi-
11 fication of any administrative or financial benefits. Such
12 report shall also include recommendations on the condi-
13 tions, if any, under which States should be allowed the
14 option to administer parts of the assistance program
15 under section 406 of the Robert T. Stafford Disaster Re-
16 lief and Emergency Assistance Act (42 U.S.C. 5172).

17 **SEC. 207. STUDY REGARDING COST REDUCTION.**

18 Not later than 4 years after the date of enactment
19 of this Act, the Comptroller General of the United States
20 shall conduct a study to estimate the reduction in Federal
21 disaster assistance that has resulted and is likely to result
22 from the enactment of this Act.

1 **SEC. 208. STUDY REGARDING INSURANCE FOR PUBLIC IN-**
2 **FRASTRUCTURE.**

3 The Comptroller General of the United States shall
4 conduct a study to determine the current and future ex-
5 pected availability of insurance for public infrastructure
6 eligible for assistance under section 406 of the Robert T.
7 Stafford Disaster Relief and Emergency Assistance Act
8 (42 U.S.C. 5170).

9 **TITLE III—MISCELLANEOUS**

10 **SEC. 301. TECHNICAL CORRECTION OF SHORT TITLE.**

11 The first section (42 U.S.C. 5121 note) is amended
12 to read as follows:

13 **“SECTION 1. SHORT TITLE.**

14 “This Act may be cited as the ‘Robert T. Stafford
15 Disaster Relief and Emergency Assistance Act’.”.

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